IN THE HIGH COURT OF UTTARANCHAL AT NAINITAL

INCOME TAX APPEAL NO.01 OF 2004

Gurunanak Khandsari Udyog,
Ahmed Pur Grant, Roorkee

..... Appellant

Versus

Income Tax Officer, Income Tax Officer, Roorkee

..... Respondent

Dated: March 27, 2006

Sri P.C. Mullick, Id. Counsel for the appellant
Sri P. Maulekhi, learned standing counsel for the respondent

Coram: **Hon'ble P.C. Verma, J.**
Hon'ble B.C. Kandpal, J.

This is an appeal against the judgment and order dated 23.07.2003 passed by Income Tax Appellate Tribunal 'SMC-II', New Delhi in ITAT No.787/Del/2000. The matter in dispute relates to Assessment Year 1996-97.

2. Brief facts of the case giving rise to the present appeal are that appellant is a partnership firm with manufacturing works at Village Ahmedpur, Roorkee. The regular books of accounts namely cash book, ledger, purchase register with parchies issued to kashtkars, manufacturing accounts as prescribed under Khandsari Act etc. are regularly maintained and checked by Khandsari Department from time to time. The Income Tax Officer had also checked the books of accounts including registers maintained in the light of valuation of closing stock done by Laxmi Chand and Sons very minutely and after not being convinced with the explanation of the assessee, he enhanced the value of closing stock by Rs.450501.00 vide

his Assessment Order dated 31.12.1998. Aggrieved by the said order, the appellant filed an appeal before Commissioner of Income Tax (Appeals), Muzaffarnagar who vide his order dated 02.11.1999 deleted the additions on sugarcane, Gur, molasses and Rab after taking into account one major factor that Laxmi Chand & Co. was situated on the main road to Saharanpur where the assessee's crusher was somewhere in the interior area and accordingly allowed the appeal of the assessee. Being aggrieved by the said order, the Revenue preferred an appeal before Income Tax Appellate Tribunal. The Tribunal Vide his order dated 23.07.2003 after taking the material available on record set aside the order of Commissioner of Income Tax (Appeals) and confirmed the order of Assessment Officer. Feeling aggrieved, the appellant has come up in the appeal.

3. We have heard learned counsel for the parties and perused the impugned judgment. We do not find any infirmity or illegality in the order impugned passed by the Income Tax Appellate Tribunal. The findigns recorded by the Tribunal are the findings of fact and do not call for any interference by this Court.

4. The appeal is dismissed accordingly. No order as to costs.

(B.C. Kandpal, J.) **(P.C. Verma, J.)**

Rajeev Dang